

Chapter 38

CONTINUING EDUCATION OF INSURANCE AGENTS, BROKERS AND CONSULTANTS (AMENDED)

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- § 001. Authority

This rule is issued pursuant to the authority granted by §§44-101.01 and 44-390.8 of the Nebraska Insurance Laws.

§ 002. Purpose

This rule is issued for the purpose of implementing and administering provisions of an act establishing requirements for continuing education of insurance agents, brokers, and consultants (hereinafter referred to

as the act).

§ 003. Definitions

Definitions used in this rule unless the content otherwise requires.

(003.01) Credit hours shall be the measure of the hours of continuing education that the director assigns to an approved continuing education activity.

(003.02) Licensee shall mean a natural person who is licensed by the Department of Insurance as a resident agent, resident broker or resident consultant.

(003.03) Department shall mean the Department of Insurance.

(003.04) Director shall mean the Director of Insurance.

(003.05) Two-year period shall mean the period commencing on the date of licensing and ending on the date of expiration of the licensees first license effective for not less than two years and each succeeding 24 month period.

(003.06) Approved courses shall mean classes, seminars, or other forms of instruction that are approved by the director as meeting the requirements of the act.

(003.07) Due date shall mean the date of expiration of the licensees two-year license.

(003.08) Courses shall mean classes, seminars or other forms of instruction that are filed with the department for certification as an approved course.

(003.09) Course sponsor shall mean any person, school, insurer, industry association, or other organization who desires to file or has filed a course with the department.

(003.10) Certificate of completion shall mean a certification from the course sponsor to the licensee upon a form approved by the department that the licensee has completed the course.

§ 004. Applicability

This Act shall only apply to resident persons licensed to consult and engage in the sale of the following classifications of insurance coverages as listed in §44-4005 R.R.S. 1943:

(1) Property and Casualty Insurance; (2) Life Insurance and Annuities; (3) Variable Contracts; (4) Sickness Accident and Health Insurance; (6) Title Insurance; (7) Crop Insurance; (8) Assessment Association; and (9) Miscellaneous Insurance.

§ 005. Exceptions

This act shall not apply to the following persons:

(005.01) Licensees from whom an examination is not required under the laws of this state, except that the persons who are excused from the examination under sub-divisions (2), (9) and (10) of §44-4010, shall not be exempt.

(005.02) Licensees who sell or consult only in the areas of credit life insurance and credit accident and health insurance.

(005.03) Licensees holding such limited or restricted licenses as the Director may exempt.

§ 006. Education requirements

(006.01) All licensees qualified to solicit property and casualty insurance shall be required to complete 24 hours of approved continuing education activities in each two-year period. All licensees qualified to solicit assessment association insurance shall be required to complete twelve hours of approved continuing education activities in each two-year period. Licensees qualified to solicit only Crop Insurance or only Fidelity and Surety Insurance shall be required to complete three hours of approved continuing education activities in each two-year period. Licensees qualified to solicit any other lines of insurance shall be required to complete six hours of approved continuing education activities in each two-year period for each line of insurance, including each miscellaneous line, in which he or she is licensed, except that no continuing education activity is required in the following lines: a) Auto Mechanical Breakdown; b) Home Equipment; c) Service Contracts; d) Prepaid Legal; e) Motor Club; f) Prepaid Dental; g) Health Maintenance Organizations; and h) Unemployment Credit Insurance. The courses taken for credit must relate to the line of lines of insurance in which the licensee is licensed. Licensees reinstating a line or lines of insurance to an existing license, must complete courses relating to the line or lines of insurance to be reinstated. However, no licensee shall be required to complete more than 24 credit hours of approved courses in any two-year period. Licensees who are consultants shall be required to complete 24 credit hours of approved courses in each two-year period, and the courses taken for credit must relate to the category of licensing.

(006.02A) Any course or program of instruction or seminar developed and/or sponsored by an authorized insurer, insurance education institute, recognized agents association, or insurance trade association or any independent program of instruction, shall, subject to the approval of the director, qualify for the equivalency of the number of credit hours assigned thereto by the director.

(006.02B) Any correspondence course approved by the director shall qualify for the equivalency of the number of credit hours assigned thereto by the director.

(006.02C) Any insurance-related course approved by the director taught by an accredited college or university shall qualify for the number of credit hours assigned thereto by the director.

(006.03) A person teaching or lecturing at an approved course shall qualify for the same number of credit hours as would be granted to a person taking and successfully completing such course.

§ 007. Classification of courses

Approved courses will be assigned at least one of the classifications as follows: (1) Life and Annuities; (2) Sickness, Accident and Health; (3) Variable Contracts; (4) Property/Casualty; (5) Crop; (6) Title; (7) Fidelity and Surety; and (8) General.

A course may be assigned more than one classification.

§ 008. Procedure and standards for approval of such education

(008.01) Any course sponsor intending to provide approved courses shall file with the department for approval by the director, on a form approved by the department, an outline of the subject matter to be covered, the method of presentation, the qualifications required of the instructor, the number of credits being requested by the course sponsor, and other information supporting the requested for approval.

(008.02) The course filed for approval shall include a statement of the method used to determine whether there has been a positive achievement of education on the part of the licensee being certified as having satisfactorily completed the approved course. The method may be a written examination, written report by the licensee, certification by the providing organization of the licensee's program attendance or completion, or other method approved by the director as appropriate for that approved course.

(008.03) Upon receipt of such material, the director will grant or deny certification as an approved course and will indicate the number of credit hours that will be recognized for the course. In cases of denial, the director will furnish a written explanation of this action.

(008.04) The director, at his discretion, may consider as approved courses, specific

programs of study that have broad national or regional recognition, notwithstanding the lack of a request for certification.

(008.05) The credit hours for a course, except an approved course of independent study, shall be determined on the basis of contact or classroom hours. For an approved program of independent study, the credit hours will be equal to the credit hours that would be assigned to an equivalent classroom approved course.

(008.06) If the approval of a course or program of instruction has not been ruled upon 30 days after the course was filed for approval, it shall be deemed to be an approved course. The director may extend the period allowed to review a course by giving written notice prior to the expiration of 30 days from the date of filing. However, such extension shall not exceed a total of 60 days from the date of filing.

§ 009. Maintenance of records

(009.01) The department will maintain records of the most recent four years of an agent's, broker's, or consultant's completion of the act's requirements.

(009.02) The department will maintain a list of the courses that currently are approved by the director.

(009.03) A course sponsor will maintain records of the most recent four years of the certificates of completion issued. Such records should identify the following:

(009.03A) Agent's, broker's, or consultant's full name.

(009.03B) Agent's, broker's, or consultant's social security number.

(009.03C) Course title.

(009.03D) Date of course.

(009.03E) Category of course.

(009.03F) Course identification number.

(009.03G) Number of credits earned.

(009.04) The licensee shall maintain copies of the certificates of completion earned for the two most recent two-year periods.

§ 010. List of approved courses

The director will provide upon request a list of all approved courses currently available to

the public. The list will include information on the location where the approved course is to be held, the number of credit hours assigned as recognition for satisfactory completion of the approved course, and also the classification such as life, property and casualty, or general.

§ 011. Approved courses - loss of certification

(011.01) The certification of a course as an approved course may be suspended by the director if he determines that:

(011.01A) The program teaching method or program content has been changed without notice to the director and the director's recertification;

(011.01B) A certificate of completion is or has been issued to any individual who did not complete the approved course in accordance with the standards furnished for certification; or

(011.11C) Certificates of completion are not given to all individuals who have satisfactorily completed the approved course in accordance with the standards furnished for certification.

(011.01D) Records are not maintained of the certificates issued.

(011.01E) Improprieties have occurred in connection with the classification, application for certification, maintenance of records, teaching method, program content, or issuance of certificates for a particular course or program.

(011.01F) There has been a failure to give prior notification of course dates, course locations or authorized signatures to the director. The notification must be provided at least two weeks prior to the date the course commences.

(011.02) Reinstatement of a suspended certification will be made upon the furnishing of satisfactory proof that the conditions responsible for the suspension have been corrected.

(011.03) Where it is determined that improprieties have occurred in connection with a course which is no longer offered by a particular course sponsor, the director may suspend certification of existing approved courses offered by such sponsor for a period of time consistent with the severity of the impropriety.

§ 012. Independent study

(012.01) A licensee who studies independently and passes the examination for an approved course will receive credit for the number of hours assigned by the director for completion of the course.

(012.02) A licensee who satisfactorily completes an approved correspondence course and provides proof of such satisfactory completion as specified by the department will receive credit for the number of hours assigned by the director for completion of the course.

§ 015. Course repetition

A licensee may not repeat a course within a period of four years from the date the course was last completed.

§ 014. Advisory committee

The director may create an advisory committee consisting of representatives from the insurance industry in Nebraska. Each organization desiring representation may submit the name of one member of their organization to the director for his approval. Participation as a member of the advisory committee will be voluntary without compensation from the department. The purpose of the committee will be to comment and review matters concerning continuing education that have been submitted to the committee by the director. Such committee will convene upon the request of the director that he has a matter for their consideration.

§ 015. Compliance

(015.01) For good cause shown, the director may grant an extension of time during which the requirements imposed by the act may be completed. Such extension shall not exceed one year. The extension will not alter the requirements or due date of the succeeding two-year periods.

(015.02) Each licensee, shall on or prior to his/her due date, and only upon earning the total credit required for the two-year period, mail or deliver, to the department, the original certificates, of completion certifying that he/she has earned the required credit hours for the applicable two-year period. Such mailing or delivery will be made by, placing the certificates of completion in an envelope which is to be addressed, "Nebraska Department of Insurance, Terminal Building, Suite 400, 941 "O" Street, Lincoln, NE 68508, Attention: Continuing Education Certification." After reviewing the licensee's current business address on file with the department.

§016. Penalty

(016.01) The director shall not renew a license or issue a new license to any licensee who has failed to comply with the requirements set forth in the act unless such licensee has received an extension from the director.